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SINO-SOVIET STATE RELATIONS ON EVE OF VANCE TRIP

Moscow embassy reports that Soviet foreign ministry officials have seen no noticeable changes in Chinese policy toward the Soviet Union. The Soviets continue to express pessimism about any marked improvement in Sino-Soviet relations and they reportedly believe that instability in the Chinese leadership will continue, ruling out the possibility of significant shifts in Chinese foreign policy toward either the US or the USSR. Consistent with Soviet pessimism, there have been unconfirmed reports of a Sino-Soviet border incident in July in which one Soviet was killed. Moreover, Sino-Soviet border talks continue but remain deadlocked.

In contrast, Moscow embassy also reports that, in probable anticipation of Secretary Vance's trip to Peking, a high-ranking Chinese official ^{in late July} told a visiting ^{Prime Minister Mr. Mahon} former Australian ~~PM~~ and a Japanese business delegation that there will be improvements in Sino-Soviet state relations. While these Chinese hints may be mere straws in the wind, they may also be attempts to influence the US to be more forthcoming in its relations with China.

Prepared by:
Sources:

1. Moscow 12132, 20 August 1977, Confidential

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